

AMENDED IN ASSEMBLY APRIL 20, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 844

Introduced by Assembly Member Villines

February 26, 2009

An act to amend Sections 17553, 17557, 17557.2, and 17558 of, and to add ~~Article 1.6 (commencing with Section 17574.6)~~ *Article 2.5 (commencing with Section 17590)* to Chapter 4 of Part 7 of Division 4 of Title 2 of, the Government Code, relating to state-mandated costs.

LEGISLATIVE COUNSEL'S DIGEST

AB 844, as amended, Villines. State-mandated local programs: school districts.

Under the California Constitution, whenever the Legislature or a state agency mandates a new program or higher level of service on any local government, including school districts, the state is required to provide a subvention of funds to reimburse the local government, with specified exceptions. Existing law establishes a test claim procedure for local governmental agencies to file claims for reimbursement of these costs with the Commission on State Mandates. *The commission is authorized to develop a reasonable reimbursement methodology and statewide estimate of costs for reimbursement of costs mandated by the state, in accordance with a decision on a test claim.*

This bill would prohibit school districts from using the test claims provisions on and after January 1, 2010, *for specified costs mandated by the state*, and would instead require the commission to determine; ~~with regard to any statute enacted on or after January 1, 2010, whether that statute imposes a mandate on school districts for which reimbursement is required by the California Constitution, and whether~~

~~there is an annual appropriation made that funds the mandate's annual statewide estimated costs, as adopted by the commission. The bill would require the commission, if it determines a statute imposes that mandate on school districts, and there is no annual appropriation for that cost, to issue an order authorizing a school district to not comply with those provisions of the statute that impose the mandate a reasonable reimbursement methodology for costs mandated by the state on a school district by a statute that is enacted on or after January 1, 2010, and to develop claiming instructions for those costs. The commission would be required to examine each act enacted by the Legislature that becomes effective on and after January 1, 2010, and determine whether the act would enact a statute that imposes costs mandated by the state on a school district. The commission would be required to make this determination within 6 months after the effective date of that statute. Based on the reimbursement methodology adopted by the commission, the commission would be required to forward to the Director of Finance the amount of the appropriation needed to fund the statewide cost estimate of a claim submitted by a school district. The commission would be required to develop this methodology, the claiming instructions, and a statewide cost estimate within one year from the date when the commission determines that a statute imposes costs mandated by the state on school districts.~~

~~The bill would also require the commission to examine all statutes that were enacted on or after January 1, 1975, and not subject to the procedure specified above, and make that same determination. The commission would be required to issue a determination allowing a school district to not comply with the requirements of that statute that imposes the mandate, in accordance with a specified schedule.~~

~~The bill would also specify a procedure for the commission to review these determinations when there is an annual appropriation and would require the commission to issue an order, under specified circumstances. The commission would be required to submit a copy of all findings and orders made pursuant to this bill to the appropriate committees of the Legislature.~~

The bill would also require the commission to develop claiming instructions for all costs mandated by the state on a school district by a statute that was enacted and became effective before January 1, 2010. The bill would require these instructions to provide a procedure that allows a school district to claim a reasonable cost reimbursement, based on specified documentation.

The bill would require the Legislative Analyst to examine all statutes that were enacted on or after January 1, 1975, that impose a cost mandated by the state in accordance with a schedule, and make recommendations to the Legislature. The bill would also provide that, from July 1, 2010, to June 30, 2012, inclusive, a school district would not be subject to a civil penalty if the school district does not comply with a statute that imposes costs mandated by the state, unless the commission determines the statute is for the purpose of protecting pupil health and safety.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 *SECTION 1. The Legislature finds and declares all of the*
2 *following:*
3 *(a) The current process for reimbursing school districts for*
4 *costs mandated by the state is in need of reform.*
5 *(b) School districts are not receiving timely reimbursement for*
6 *costs mandated by the state, as required by Section 6 of Article*
7 *XIII B of the California Constitution (mandates).*
8 *(c) Delaying this reimbursement restricts the ability of school*
9 *districts to provide other services.*
10 *(d) There is no ongoing review of mandates to determine*
11 *whether a mandate should be repealed or amended.*
12 *(e) Small school districts are effectively prohibited from seeking*
13 *relief under Section 6 of Article XIII B of the California*
14 *Constitution because of limitations on their ability to claim*
15 *mandated cost reimbursement.*
16 *(f) There is no system for the Legislature to amend or repeal a*
17 *statute imposing a mandate once the statewide cost estimate has*
18 *been determined, but prior to its implementation.*
19 *(g) The current system can result in unanticipated major fiscal*
20 *costs associated with a mandate after it has been implemented.*
21 *(h) New unfunded mandates during a time of school budget*
22 *deficits mean further cuts in school district budgets.*
23 *(i) Therefore, the Legislature finds that the current state mandate*
24 *reimbursement process for school districts needs to be made more*
25 *timely and to provide a more efficient review of claims filed*
26 *pursuant to Section 6 of Article XIII B of the California*

1 *Constitution, as well as providing greater access for the filing of*
2 *these claims.*

3 *(j) The Legislature further declares its intent that any act that*
4 *imposes a mandate on a school district should have a delayed*
5 *operative date on the second succeeding January 1 after the year*
6 *in which the act is enacted, unless the act would take effect*
7 *immediately as an urgency statute or is introduced in an*
8 *extraordinary legislative session.*

9 **SECTION 1.**

10 **SEC. 2.** Section 17553 of the Government Code is amended
11 to read:

12 17553. (a) The commission shall adopt procedures for
13 receiving claims filed pursuant to this article and Section 17574
14 and for providing a hearing on those claims. The procedures shall
15 do all of the following:

16 (1) Provide for presentation of evidence by the claimant, the
17 Department of Finance, and any other affected department or
18 agency, and any other interested person.

19 (2) Ensure that a statewide cost estimate is adopted within 12
20 months after receipt of a test claim, when a determination is made
21 by the commission that a mandate exists. This deadline may be
22 extended for up to six months upon the request of either the
23 claimant or the commission.

24 (3) Permit the hearing of a claim to be postponed at the request
25 of the claimant, without prejudice, until the next scheduled hearing.

26 (b) All test claims shall be filed on a form prescribed by the
27 commission and shall contain at least the following elements and
28 documents:

29 (1) A written narrative that identifies the specific sections of
30 statutes or executive orders and the effective date and register
31 number of regulations alleged to contain a mandate and shall
32 include all of the following:

33 (A) A detailed description of the new activities and costs that
34 arise from the mandate.

35 (B) A detailed description of existing activities and costs that
36 are modified by the mandate.

37 (C) The actual increased costs incurred by the claimant during
38 the fiscal year for which the claim was filed to implement the
39 alleged mandate.

1 (D) The actual or estimated annual costs that will be incurred
2 by the claimant to implement the alleged mandate during the fiscal
3 year immediately following the fiscal year for which the claim
4 was filed.

5 (E) A statewide cost estimate of increased costs that all local
6 agencies or school districts will incur to implement the alleged
7 mandate during the fiscal year immediately following the fiscal
8 year for which the claim was filed.

9 (F) Identification of all of the following:

- 10 (i) Dedicated state funds appropriated for this program.
11 (ii) Dedicated federal funds appropriated for this program.
12 (iii) Other nonlocal agency funds dedicated for this program.
13 (iv) The local agency's general purpose funds for this program.
14 (v) Fee authority to offset the costs of this program.

15 (G) Identification of prior mandate determinations made by the
16 Commission on State Mandates or a predecessor agency that may
17 be related to the alleged mandate.

18 (H) Identification of a legislatively determined mandate pursuant
19 to Section 17573 that is on the same statute or executive order.

20 (2) The written narrative shall be supported with declarations
21 under penalty of perjury, based on the declarant's personal
22 knowledge, information, or belief, and signed by persons who are
23 authorized and competent to do so, as follows:

24 (A) Declarations of actual or estimated increased costs that will
25 be incurred by the claimant to implement the alleged mandate.

26 (B) Declarations identifying all local, state, or federal funds, or
27 fee authority that may be used to offset the increased costs that
28 will be incurred by the claimant to implement the alleged mandate,
29 including direct and indirect costs.

30 (C) Declarations describing new activities performed to
31 implement specified provisions of the new statute or executive
32 order alleged to impose a reimbursable state-mandated program.
33 Specific references shall be made to chapters, articles, sections,
34 or page numbers alleged to impose a reimbursable state-mandated
35 program.

36 (D) If applicable, declarations describing the period of
37 reimbursement and payments received for full reimbursement of
38 costs for a legislatively determined mandate pursuant to Section
39 17573, and the authority to file a test claim pursuant to paragraph
40 (1) of subdivision (c) of Section 17574.

1 (3) (A) The written narrative shall be supported with copies of
2 all of the following:

3 (i) The test claim statute that includes the bill number or
4 executive order, alleged to impose or impact a mandate.

5 (ii) Relevant portions of state constitutional provisions, federal
6 statutes, and executive orders that may impact the alleged mandate.

7 (iii) Administrative decisions and court decisions cited in the
8 narrative.

9 (B) State mandate determinations made by the Commission on
10 State Mandates or a predecessor agency and published court
11 decisions on state mandate determinations made by the
12 Commission on State Mandates are exempt from this requirement.

13 (4) A test claim shall be signed at the end of the document,
14 under penalty of perjury by the claimant or its authorized
15 representative, with the declaration that the test claim is true and
16 complete to the best of the declarant's personal knowledge,
17 information, or belief. The date of signing, the declarant's title,
18 address, telephone number, facsimile machine telephone number,
19 and electronic mail address shall be included.

20 (c) If a completed test claim is not received by the commission
21 within 30 calendar days from the date that an incomplete test claim
22 was returned by the commission, the original test claim filing date
23 may be disallowed, and a new test claim may be accepted on the
24 same statute or executive order.

25 (d) In addition, the commission shall determine whether an
26 incorrect reduction claim is complete within 10 days after the date
27 that the incorrect reduction claim is filed. If the commission
28 determines that an incorrect reduction claim is not complete, the
29 commission shall notify the local agency and school district that
30 filed the claim stating the reasons that the claim is not complete.
31 The local agency or school district shall have 30 days to complete
32 the claim. The commission shall serve a copy of the complete
33 incorrect reduction claim on the Controller. The Controller shall
34 have no more than 90 days after the date the claim is delivered or
35 mailed to file any rebuttal to an incorrect reduction claim. The
36 failure of the Controller to file a rebuttal to an incorrect reduction
37 claim shall not serve to delay the consideration of the claim by the
38 commission.

1 ~~(e) On and after January 1, 2010, the provisions in this section~~
2 ~~regarding the procedures for, and the filing of, a test claim shall~~
3 ~~not apply to a school district.~~

4 ~~(e) This section shall apply to school district claims only for~~
5 ~~costs mandated by the state that the commission determines were~~
6 ~~imposed before January 1, 2010.~~

7 ~~SEC. 2.~~

8 SEC. 3. Section 17557 of the Government Code is amended
9 to read:

10 17557. (a) If the commission determines there are costs
11 mandated by the state pursuant to Section 17551, it shall determine
12 the amount to be subvended to local agencies *and school districts*
13 for reimbursement. In so doing it shall adopt parameters and
14 guidelines for reimbursement of any claims relating to the statute
15 or executive order. The successful test claimants shall submit
16 proposed parameters and guidelines within 30 days of adoption of
17 a statement of decision on a test claim. At the request of a
18 successful test claimant, the commission may provide for one or
19 more extensions of this 30-day period at any time prior to its
20 adoption of the parameters and guidelines. If proposed parameters
21 and guidelines are not submitted within the 30-day period and the
22 commission has not granted an extension, then the commission
23 shall notify the test claimant that the amount of reimbursement the
24 test claimant is entitled to for the first 12 months of incurred costs
25 will be reduced by 20 percent, unless the test claimant can
26 demonstrate to the commission why an extension of the 30-day
27 period is justified.

28 (b) In adopting parameters and guidelines, the commission may
29 adopt a reasonable reimbursement methodology.

30 (c) The parameters and guidelines adopted by the commission
31 shall specify the fiscal years for which local agencies *and school*
32 *districts* shall be reimbursed for costs incurred. However, the
33 commission may not specify in the parameters and guidelines any
34 fiscal year for which payment could be provided in the annual
35 Budget Act.

36 (d) A local ~~agency~~ *agency*, *school district*, or the state may file
37 a written request with the commission to amend, modify, or
38 supplement the parameters or guidelines. The commission may,
39 after public notice and hearing, amend, modify, or supplement the
40 parameters and guidelines. A parameters and guidelines amendment

submitted within 90 days of the claiming deadline for initial claims, as specified in the claiming instructions pursuant to Section 17561, shall apply to all years eligible for reimbursement as defined in the original parameters and guidelines. A parameters and guidelines amendment filed more than 90 days after the claiming deadline for initial claims, as specified in the claiming instructions pursuant to Section 17561, and on or before the claiming deadline following a fiscal year, shall establish reimbursement eligibility for that fiscal year.

(e) A test claim shall be submitted on or before June 30 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year. The claimant may thereafter amend the test claim at any time, but before the test claim is set for a hearing, without affecting the original filing date as long as the amendment substantially relates to the original test claim.

(f) In adopting parameters and guidelines, the commission shall consult with the Department of Finance, the affected state agency, the Controller, the fiscal and policy committees of the Assembly and Senate, the Legislative Analyst, and the claimants to consider a reasonable reimbursement methodology that balances accuracy with simplicity.

(g) *This section shall apply to school district claims only for costs mandated by the state that the commission determines were imposed before January 1, 2010.*

~~SEC. 3.~~

SEC. 4. Section 17557.2 of the Government Code is amended to read:

17557.2. (a) A reasonable reimbursement methodology developed pursuant to Section 17557.1 or a joint request for early termination of a reasonable reimbursement methodology shall have broad support from a wide range of local agencies *or school districts*. The test claimant and Department of Finance may demonstrate broad support from a wide range of local agencies *or school districts* in different ways, including, but not limited to, obtaining endorsement by one or more statewide associations of local agencies *or school districts* and securing letters of approval from local agencies *or school districts*.

(b) No later than 60 days before a commission hearing, the test claimant and Department of Finance shall submit to the commission a joint proposal that shall include all of the following:

1 (1) The draft reasonable reimbursement methodology.

2 (2) The proposed statewide estimate of costs for the initial
3 claiming period and budget year.

4 (3) A description of the steps the test claimant and the
5 Department of Finance undertook to determine the level of support
6 by local agencies *or school districts* for the draft reasonable
7 reimbursement methodology.

8 (4) An agreement that the reasonable reimbursement
9 methodology developed and approved under this section shall be
10 in effect for a period of five years unless a different term is
11 approved by the commission, or upon submission to the
12 commission of a letter indicating the Department of Finance and
13 test claimant's joint interest in early termination of the reasonable
14 reimbursement methodology.

15 (5) An agreement that, at the conclusion of the period established
16 in paragraph (4), the Department of Finance and the test claimant
17 will consider jointly whether amendments to the methodology are
18 necessary.

19 (c) The commission shall approve the draft reasonable
20 reimbursement methodology if review of the information submitted
21 pursuant to Section 17557.1 and subdivision (b) of this section
22 demonstrates that the draft reasonable reimbursement methodology
23 and statewide estimate of costs for the initial claiming period and
24 budget year have been developed in accordance with Section
25 17557.1 and meet the requirements of subdivision (a). The
26 commission thereafter shall adopt the proposed statewide estimate
27 of costs for the initial claiming period and budget year. Statewide
28 cost estimates adopted under this section shall be included in the
29 report to the Legislature required under Section 17600 and shall
30 be reported by the commission to the appropriate Senate and
31 Assembly policy and fiscal committees, the Legislative Analyst,
32 and the Department of Finance not later than 30 days after
33 adoption.

34 (d) Unless amendments are proposed pursuant to this
35 subdivision, the reasonable reimbursement methodology approved
36 by the commission pursuant to this section shall expire after either
37 five years, any other term approved by the commission, or upon
38 submission to the commission of a letter indicating the Department
39 of Finance's and test claimant's joint interest in early termination
40 of the reasonable reimbursement methodology.

(e) The commission shall approve a joint request for early termination of a reasonable reimbursement methodology if the request meets the requirements of subdivision (a). If the commission approves a joint request for early termination, the commission shall notify the test claimant of the duty to submit proposed parameters and guidelines to the commission pursuant to subdivision (a) of Section 17557.

(f) At least one year before the expiration of a reasonable reimbursement methodology, the commission shall notify the Department of Finance and the test claimant that they may do one of the following:

(1) Jointly propose amendments to the reasonable reimbursement methodology by submitting the information described in paragraphs (1), (3), and (4) of subdivision (b), and providing an estimate of the mandate's annual cost for the subsequent budget year.

(2) Jointly propose that the reasonable reimbursement methodology remain in effect.

(3) Allow the reasonable reimbursement methodology to expire and notify the commission that the test claimant will submit proposed parameters and guidelines to the commission pursuant to subdivision (a) of Section 17557 to replace the reasonable reimbursement methodology.

(g) The commission shall either approve the continuation of the reasonable reimbursement methodology or approve the jointly proposed amendments to the reasonable reimbursement methodology if the information submitted in accordance with paragraph (1) of subdivision (d) demonstrates that the proposed amendments were developed in accordance with Section 17557.1 and meet the requirements of subdivision (a) of this section.

(h) This section shall apply to school district claims only for costs mandated by the state that the commission determines were imposed before January 1, 2010.

~~SEC. 4.~~

SEC. 5. Section 17558 of the Government Code is amended to read:

17558. (a) The commission shall submit the adopted parameters and guidelines or a reasonable reimbursement methodology approved pursuant to Section 17557.2 to the Controller. As used in this chapter, a "reasonable reimbursement methodology" approved pursuant to Section 17557.2 includes all

1 amendments to the reasonable reimbursement methodology. When
2 the Legislature declares a legislatively determined mandate in
3 accordance with Section 17573 in which claiming instructions are
4 necessary, the Department of Finance shall notify the Controller.

5 (b) Not later than 60 days after receiving the adopted parameters
6 and guidelines, a reasonable reimbursement methodology from
7 the commission, or notification from the Department of Finance,
8 the Controller shall issue claiming instructions for each mandate
9 that requires state reimbursement, to assist local agencies *and*
10 *school districts* in claiming costs to be reimbursed. In preparing
11 claiming instructions, the Controller shall request assistance from
12 the Department of Finance and may request the assistance of other
13 state agencies. The claiming instructions shall be derived from the
14 test claim decision and the adopted parameters and guidelines,
15 reasonable reimbursement methodology, or statute declaring a
16 legislatively determined mandate.

17 (c) The Controller shall, within 60 days after receiving amended
18 parameters and guidelines, an amended reasonable reimbursement
19 methodology from the commission or other information
20 necessitating a revision of the claiming instructions, prepare and
21 issue revised claiming instructions for mandates that require state
22 reimbursement that have been established by commission action
23 pursuant to Section 17557, Section 17557.2, or after any decision
24 or order of the commission pursuant to Section 17559, or after any
25 action by the Legislature pursuant to Section 17573. In preparing
26 revised claiming instructions, the Controller may request the
27 assistance of other state agencies.

28 (d) *This section shall apply to school district claims only for*
29 *costs mandated by the state that the commission determines were*
30 *imposed before January 1, 2010.*

31 ~~SEC. 5. Article 1.6 (commencing with Section 17574.6) is~~
32 ~~added to Chapter 4 of Part 7 of Division 4 of Title 2 of the~~
33 ~~Government Code, to read:~~

34
35 ~~Article 1.6. Mandated Costs Compliance~~
36

37 ~~17574.6. (a) Notwithstanding any other provision of law, the~~
38 ~~commission shall determine both of the following with regard to~~
39 ~~any statute enacted on or after January 1, 2010:~~

~~(1) Whether the statute imposes a mandate on school districts, for which reimbursement is required by Section 6 of Article XIII B of the California Constitution.~~

~~(2) Whether there is an annual appropriation made to fund the mandate's annual statewide cost estimate, as adopted by the commission.~~

~~(b) If the commission determines a statute imposes a mandate on school districts, as specified in paragraph (1) of subdivision (a), and there is no annual appropriation to fund the mandate's estimated annual statewide cost, as specified in paragraph (2) of subdivision (a), the commission shall issue an order authorizing a school district to not comply with those provisions of the statute that impose the mandate.~~

~~(c) If the commission determines a statute imposes a mandate, as specified in paragraph (1) of subdivision (a), but there is an annual appropriation made to fund the mandate, as specified in paragraph (2) of subdivision (a), this determination shall be operative only for five years, and five years from the operative date of that determination, the commission shall review the statute and determine whether an appropriation for those costs has been made to fund the mandate's annual statewide cost estimate, as adopted by the commission. If the commission determines an appropriation to fund that cost estimate has not been made, the commission shall issue an order authorizing a school district to not comply with the requirements of the statute.~~

~~(d) The commission shall submit a copy of all orders and findings made pursuant to this section to the appropriate committees of the Legislature.~~

~~17574.7. (a) The commission shall examine all statutes that were enacted on or after January 1, 1975, and not subject to Section 17574.7, in accordance with the schedule specified in subdivision (b) and determine both of the following:~~

~~(1) Whether the statute imposes a mandate on school districts for which reimbursement is required by Section 6 of Article XIII B of the California Constitution.~~

~~(2) Whether there is an annual appropriation that funds the mandate's annual statewide cost estimate, as adopted by the commission.~~

~~(b) If the commission determines a statute imposes a mandate on school districts, as specified in paragraph (1) of subdivision (a)~~

1 and there is no annual appropriation, as specified in paragraph (2)
2 of subdivision (a), the commission shall issue an order allowing
3 a school district to not comply with the requirements of the statute
4 that imposes the mandate, in the following manner:

5 (1) Commencing January 1, 2012, the commission shall issue
6 that order regarding compliance with a statute that was enacted
7 before January 1, 1990, but not earlier than January 1, 1975.

8 (2) Commencing January 1, 2014, the commission shall issue
9 that order regarding compliance with a statute that was enacted on
10 or after January 1, 1990, but before January 1, 2000.

11 (3) Commencing January 1, 2015, the commission shall issue
12 that order regarding compliance with a statute that was enacted on
13 or after January 1, 2000, but before January 1, 2010.

14 (c) If the commission determines that a statute imposes a
15 mandate, pursuant to paragraph (1) of subdivision (a), but there is
16 an annual appropriation to fund the mandate's estimated annual
17 cost, as adopted by the commission, as specified in paragraph (2)
18 of subdivision (a), this determination shall be operative only for
19 five years, and the commission shall review that determination on
20 a date five years after the date of making that determination. If the
21 commission determines there is no annual appropriation to fund
22 the mandate's annual statewide cost estimate, as adopted by the
23 commission, the commission shall issue an order allowing a school
24 district to not comply with that statute.

25 (d) The commission shall submit a copy of all findings and
26 orders made pursuant to this section to the appropriate committees
27 of the Legislature.

28 17574.8. On and after January 1, 2010, a school district may
29 not file a test claim pursuant to this part and shall instead be subject
30 to the procedures specified in this article.

31 *SEC. 6. Article 2.5 (commencing with Section 17590) is added*
32 *to Chapter 4 of Part 7 of Division 4 of Title 2 of the Government*
33 *Code, to read:*

34
35 *Article 2.5. Mandated Costs Compliance*
36

37 17590. (a) On and after January 1, 2010, a school district
38 may not file a test claim pursuant to Section 17551, unless either
39 of the following applies:

1 (1) *The costs mandated by the state on a school district were*
2 *imposed pursuant to a statute that was enacted and became*
3 *effective on or before January 1, 2010.*

4 (2) *The costs were imposed pursuant to an act that was enacted*
5 *and became effective on or after January 1, 2010, but the act made*
6 *an amendment to a statute that was enacted and became effective*
7 *before January 1, 2010, and imposed costs mandated by the state*
8 *on a school district.*

9 (b) *The commission shall determine a reasonable reimbursement*
10 *methodology for costs mandated by the state on a school district*
11 *that are imposed on or after January 1, 2010, and shall develop*
12 *claiming instructions for those costs based on that methodology.*

13 (c) *On and after January 1, 2010, the commission shall examine*
14 *each act enacted by the Legislature that becomes effective on and*
15 *after January 1, 2010, and determine whether the act would enact*
16 *a statute that imposes costs mandated by the state on a school*
17 *district. The commission shall make this determination on or before*
18 *six months after the effective date of that statute.*

19 (d) *Upon making a determination pursuant to subdivision (c)*
20 *that a statute imposes costs mandated by the state on a school*
21 *district, the commission shall, based on the methodology adopted*
22 *pursuant to subdivision (b), forward to the Director of Finance*
23 *the amount of the appropriation needed to fund the statewide cost*
24 *estimate for a claim submitted by a school district.*

25 (e) *The commission shall develop the methodology, claiming*
26 *instructions, and statewide cost estimate required by this section*
27 *within one year from the date when the commission determines*
28 *that a statute imposes costs mandated by the state on school*
29 *districts.*

30 17591. (a) *The commission shall develop claiming instructions*
31 *for all costs mandated by the state on a school district that were*
32 *imposed pursuant to a statute that was enacted and become*
33 *effective before January 1, 2010.*

34 (b) *The claiming instructions developed pursuant to this section*
35 *shall provide for a procedure that allows a school district to claim*
36 *a reasonable cost reimbursement for costs mandated by the state*
37 *if the school district documents that it complied with the mandate.*
38 *The commission audit of this documentation shall be limited to*
39 *only determining whether the school district complied with the*
40 *mandate.*

1 (c) A school district may elect, and is not required, to file a
2 claim for the reimbursement of costs mandated by the state, using
3 the procedure authorized by this section, if the statute that imposed
4 the costs was enacted and became effective before January 1, 2010.

5 A school district may instead elect to file a claim for the
6 reimbursement of costs mandated by the state pursuant to the
7 procedures specified in Article 1 (commencing with Section 17550).

8 17592. (a) The Legislative Analyst shall examine all statutes
9 that were enacted on or after January 1, 1975, and not subject to
10 Section 17590, that impose a cost mandated by the state on a
11 school district in accordance with the following schedule:

12 (1) Commencing January 1, 2011, a statute enacted before
13 January 1, 1990, but not earlier than January 1, 1975.

14 (2) Commencing January 1, 2012, a statute enacted on or after
15 January 1, 1990, but before January 1, 2000.

16 (3) Commencing January 1, 2013, a statute enacted on or after
17 January 1, 2000, but before January 1, 2010.

18 (b) As part of the annual analysis of the state budget, the
19 Legislative Analyst shall recommend to the Legislature whether
20 a statute subject to review pursuant to this section should be
21 amended or repealed or remain unchanged.

22 17593. (a) On and after July 1, 2010, to June 30, 2012,
23 inclusive, a school district shall not be subject to a civil penalty
24 pursuant to state law, if the school district does not comply with
25 a statute that imposes costs mandated by the state and the district
26 does not file a claim for reimbursement of the costs of that
27 mandate, unless the commission determines the statute is for the
28 purpose of protecting pupil health and safety.

29 (b) This article does not affect any right to relief that is available
30 to a school district as of January 1, 2010.